

## Making a Joint Business Decision

An insurance firm is looking to upgrade its operating software system. They are faced with three alternatives, which are listed below.

In this 'role-play' activity, you will play the role of either:

- IT manager (you would like a 'manageable' change)
- Finance manager (you want a great finance reporting fit)
- Marketing manager (you want a great marketing reporting fit)
- Human Resources manager (you want significant training tasks)
- Operations manager (you want minimal change)

Your group task is to reach a decision through consensus (as collectively you are the firm's executive management team). To complicate your decision, each of the three alternatives 'benefit' different functional departments. For example, Option One is great for marketing, whereas Option Three is great for finance.

**Please note** that the preferences for each role are listed after the job titles above.

OPTION ONE	
Price:	\$5 million
Training Required	Significant (major upgrade of current system)
Time to Implement	3 years
Financial reporting	7/10 (good fit)
Marketing reporting	9/10 (great fit)

OPTION TWO	
Price:	\$1 million
Training Required	Minimal (minor upgrade of current system)
Time to Implement	1 year
Financial reporting	5/10 (OK fit)
Marketing reporting	3/10 (poor fit)

<b>OPTION THREE</b>	
Price:	\$3 million
Training Required	Reasonable (fairly substantial upgrade)
Time to Implement	2 years
Financial reporting	9/10 (great fit)
Marketing reporting	3/10 (poor fit)

### **Student Discussion Questions**

1. Which of the three options did your group select as the best alternative?
2. What was the group's rationale for selecting this alternative?
3. Were all group members in agreement with this final decision?
4. Inside real business firms, do you think that the management will generally agree or are major differences of opinion likely to occur? If so, what implications will these situations have the organization?